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FM AMEMBASSY KUALA LUMPUR

TO RUEHC/SECSTATE WASHDC PRIORITY 0064

INFO RUCNASE/ASEAN MEMBER COLLECTIVE PRIORITY

RUEHBJ/AMEMBASSY BEIJING PRIORITY 2379

RUEHBY/AMEMBASSY CANBERRA PRIORITY 2393

RUEHLO/AMEMBASSY LONDON PRIORITY 0334

RUEHNE/AMEMBASSY NEW DELHI PRIORITY 0721

RUCNDT/USMISSION USUN NEW YORK PRIORITY 1041

RHEHNSC/NSC WASHDC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 KUALA LUMPUR 001492

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E.O. 12958: DECL: 10/01/2017
TAGS: PREL PHUM UNSC BM MY

SUBJECT: AMBASSADOR KEITH'S OCTOBER 4 MEETING WITH MFA

SECGEN RASTAM

REF: A. A) KUALA LUMPUR 1484

1B. B) STATE 137644

TC. C) KUALA LUMPUR 1476

1D. D) KUALA LUMPUR 1470

¶E. E) KUALA LUMPUR 1386

¶F. F) KUALA LUMPUR 1375

Classified By: AMBASSADOR JAMES R. KEITH FOR REASONS 1.4 (B AND D)

(C) Summary: Ambassador Keith raised Burma during his initial courtesy call on MFA SecGen Rastam, urging that ASEAN support an October 5 UNSC meeting and a prospective Presidential Statement from the Council on Burma. Sidestepping the issue of a statement, Rastam reiterated Malaysian frustration with Burma but also reiterated the GOM's interest in seeing what Gambari has to report before taking any action. ASEAN was considering what steps to take in connection with the November ASEAN Summit, he indicated, underlining his sense that ASEAN's reputation and credibility were on the line. On other subjects, Rastam said the U.S.-Malaysia bilateral relationship was going well, adding that he had heard from New York that ASEAN leaders agreed in principle to the U.S.-ASEAN summit with President Bush and that they were now looking at possible dates. He hoped we could move forward on FTA talks, appreciated U.S. support for the Southeast Asia Regional Center for Counterterrorism (SEARCCT), and suggested that the U.S. work harder at attracting Malaysian students. He also commented that some Malaysians still feel that they are ill-treated at U.S. ports of entry. End Summary.

Burma

 $\P2$. (C) Ambassador Keith expressed appreciation for ASEAN's strong statement on Burma, noted that we are looking for an October 5 UNSC meeting to discuss Burma, and urged that ASEAN support the issuance of a President's statement in connection He added that we hoped that the statement with the meeting. would note ASEAN's leading role on the Burma issue. Rastam replied that the ASEAN statement reflected member states' frustration with Burma's behavior. Burma is an embarrassment to ASEAN, he continued, and when you get to a situation in which the credibility of the organization is at stake, something must be done. He expressed disappointment with the failure to get Tan Shwe to meet with Aung Sang Suu Ki during the Gambari visit but noted that they both deeply hated each other. ASEAN would consider next steps once they had heard Gambari's report to the UNSC, Rastam said. The ASEAN Summit convenes in November, he added, and the ASEANs are fully conscious of the world's focus on the organization. He said he was unaware of any concrete proposals yet, but we'll have to find ways to arrive at a lasting solution. The SecGen $\,$

indicated that while the generals may want to calm the situation, the opposition could raise tensions further because it believes it has the world's attention. It could get messy, Rastam remarked, because certain conditions will need to be met, for example the release of political prisoners. He added, looking to the future, but without elaboration, that the generals would need assurances that they would not be prosecuted if they stepped down. (Comment: Rastam may simply have been thinking out loud rather than predicting or projecting that particular outcome. End Comment.)

Other Issues

13. (C) Rastam reported that U.S.-Malaysia bilateral relations were good. He hoped the two sides could conclude an FTA and that U.S. investment in Malaysia would increase. He expressed appreciation for U.S. support for SEARCCT. He also thanked the Ambassador for FBI support in enhancing a surveillance video that is evidence in a high profile Malaysian murder case. Rastam declared that the number of Malaysian students in the U.S. had fallen since a high in the 1980s and hoped that the U.S. would do more to attracted Malaysians. He also hoped that more American students would study in Malaysia. In concluding, Rastam recognized the efforts Embassy Kuala Lumpur had made to streamline visa issuance but claimed that Malaysians were still being mistreated at U.S. ports of entry. He recalled that when he was stationed in New York several years ago a Malaysian state Chief Minister visiting New York had been interviewed at the Port of Entry and had told him he would never visit the U.S. again as a result. The Ambassdor underlined our commitment to customer service, emphasized the dramatic improvement in

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our service since 2001, and urged the SecGen to be in direct communication if such issues were to arise again.

14. (C) The Ambassador recalled our appreciation for the high quality of the strategic dialogue that the SecGen had initiated with A/S Hill, conveyed the A/S's best wishes, and urged that a time be set for resumption of the dialogue. Rastam was non-committal in reply. The Ambassador also expressed appreciation for the positive signals that we had heard from the Acting Director of Protocol regarding potential progress in our effort to secure reciprocal agreement for Embassy spouses to work in our respective countries.

KEITH